

House File 663 - Introduced

HOUSE FILE 663

BY SWEENEY

A BILL FOR

1 An Act providing a sales tax exemption for the sales price
2 of certain sales of clay and paper targets and including
3 effective date and retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 96. The sales price from the sale of
4 clay targets and paper targets that are to be stored, used,
5 or consumed by a shooting facility, if any of the following
6 applies:

7 a. The shooting facility is required to collect sales taxes
8 imposed on the sales price of charges for shooting at the
9 facility.

10 b. The shooting facility is a nonprofit organization that
11 charges for shooting at the facility, and the sales price of
12 such charges are exempt as casual sales under subsection 39.

13 Sec. 2. REFUNDS.

14 1. Refunds of taxes, interest, or penalties that arise
15 from claims resulting from the enactment of section 423.3,
16 subsection 96, in this Act, for the exemption of sales of clay
17 targets and paper targets occurring between January 1, 2001,
18 and the effective date of this Act, shall be limited to ten
19 thousand dollars in the aggregate and shall not be allowed
20 unless refund claims are filed prior to October 1, 2011,
21 notwithstanding any other provision of law.

22 2. If the amount of claims totals more than ten thousand
23 dollars in the aggregate, the department of revenue shall
24 prorate the ten thousand dollars among all claimants in
25 relation to the amounts of the claimants' valid claims.

26 3. Claimants shall not be entitled to interest on any
27 refunds.

28 Sec. 3. EFFECTIVE UPON ENACTMENT AND RETROACTIVE
29 APPLICABILITY. This Act, being deemed of immediate importance,
30 takes effect upon enactment and applies retroactively to
31 January 1, 2001.

32 EXPLANATION

33 This bill provides a sales tax exemption for the sale of
34 clay and paper targets if they are sold to a shooting facility
35 that collects sales taxes on the charges for shooting at the

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1 facility or if the charges for shooting at the facility are
2 exempt as casual sales.

3 Because the exemption is retroactive to January 1, 2001, the
4 bill provides for refund claims of \$10,000 in the aggregate
5 arising as a result of the bill.

6 By operation of Code section 423.6, an item exempt from the
7 imposition of the sales tax is also exempt from the use tax
8 imposed in Code section 423.5.

9 The bill takes effect upon enactment and applies
10 retroactively to January 1, 2001.